



Department of Medical Assistance Services
600 East Broad Street, Suite 1300
Richmond, Virginia 23219

www.dmas.virginia.gov

MEDICAID MEMO

TO: All Psychiatric Residential Treatment Providers,
Treatment Foster Care Case Management Providers and
Managed Care Organizations Participating in the
Virginia Medical Assistance Programs, and all CPMT
Chairpersons

FROM: Patrick W. Finnerty, Director
Department of Medical Assistance Services

MEMO: Special

DATE: 10/9/2007

SUBJECT: Changes to the Prior Authorization and Billing Process for Psychiatric Residential
Treatment and Treatment Foster Care – Effective October 1, 2007

The purpose of this memorandum is to provide information on changes to the Psychiatric Residential Treatment (RTF) and Treatment Foster Care Case Management (TFC-CM) prior authorization (PA) and billing process. This information will assist providers in expediting the PA and claims submission process.

Changes to the PA process to allow electronic submission of claims

For dates of service on or after October 1, 2007, electronic claims submissions will be accepted for RTF and TFC-CM. The changes instituted in the PA process earlier this year, and described in detail in the March 2007 Medicaid Memo, will facilitate this.

Electronic Submission of Claims

Electronic billing is a fast and effective way to submit Medicaid claims. Claims will be processed faster and more accurately because electronic claims are entered in to the claims processing system directly. For more information contact our fiscal agent, First Health Services Corporation:

Phone: (800)-924-6741

Fax number: (804)-273-6797

First Health's Website: <http://virginia.fhsc.com> or by mail

EDI Coordinator-Virginia Operations

First Health Services Corporation

4300 Cox Road

Richmond, Virginia 23060

RTF CSA (Comprehensive Services Act) Cases

For dates of service on or after October 1, 2007, the reimbursement rate certification will no longer be required as an attachment to the claim. As you are aware, the 3-digit locality code is a required

element on the PA request, as is the reimbursement rate certification that documents the negotiated rate for CSA requests. On October 1, 2007, KePRO, the PA contractor, will transmit these elements to First Health Services as part of the PA.

The locality will be responsible for providing the correct locality name to the provider, as well as the current negotiated rate. The responsible locality is the same locality that is indicated on the Reimbursement Rate Certification. The rate should exclude any other payer source, such as Title IV-E. If the rate is changed during a residential stay, the locality is responsible to update the reimbursement certification and the provider is responsible to submit the revised reimbursement certification to KePRO. The provider must also have all reimbursement certifications for a CSA case available at the facility for DMAS audit purposes.

RTF Non-CSA Cases

Each provider must have a non-CSA reimbursement rate on file with DMAS. If a rate has not been established, a non-CSA PA request will not be posted to the First Health Services system by KePRO. There would be no PA number established for the request. The provider will need to contact Provider Reimbursement at 804/686-7931 to request a non-CSA rate. This is the rate that will be reimbursed for all non-CSA claims submitted to DMAS.

TFC-CM Cases

The 3-digit locality code is a required element for PA submissions, and for dates of service on or after October 1, 2007, KePRO will transmit this element to First Health Services as part of the PA.

KePRO Decision Notification

For dates of service on or after October 1, 2007, KePRO will include the locality code and rate for CSA PA requests on the decision notification facsimile sent to RTF providers. For TFC-CM providers the notification will include the locality code. The provider should confirm the locality code and rate on the KePRO PA notification and if there is an error in this information, should contact KePRO to make corrections. If there is a change to a rate during an authorization period, the provider must contact KePRO to update the rate information on file.

KePRO Contact Information

You may contact KePRO through the following methods:

iEXCHANGE: <http://dmas.kepro.org/>

Toll Free Phone: 1-888-VAPAUTH (1-888-827-2884)

Local Phone: (804) 622-8900

Fax: 1-877-OKBYFAX (1-877-652-9329)

Mail: 2810 N. Parham Road, Suite 305,
Richmond, VA 23294

Provider Issues: ProviderIssues@kepro.org

DMAS and KePRO Website Resources

The following resources are available on the DMAS and KePRO websites:

1. iEXCHANGE Registration information
2. ICD9 diagnosis codes, outpatient rehab and home health revenue codes, and radiological scan procedure codes
3. Recent PA provider training presentations
4. Prior Medicaid Memos
5. PA Fax Request Forms and Instructions
6. PA Reference Guides
7. KePRO "Insider" Provider newsletter

Alternate Methods to Obtain PA, Eligibility and Claims Status Information

DMAS offers a new, enhanced web-based Internet option (ARS) to access information regarding Medicaid or FAMIS eligibility, claims status, check status, service limits, prior authorization, and pharmacy prescriber identification. Current and new users of the ARS are required to migrate to the new web-based ARS to logon and register prior to May 22, 2007. Please see the Medicaid Memo dated 1/19/2007 for more information. The website address to use to enroll for access to this system is <http://virginia.fhsc.com>. The MediCall voice response system will provide the same information and can be accessed by calling 1-800-884-9730 or 1-800-772-9996. Both options are available at no cost to the provider. Providers may also access prior authorization information including status via iEXCHANGE at <http://dmas.kepro.org/>.

COPIES OF MANUALS

DMAS publishes electronic and printable copies of its Provider Manuals and Medicaid Memoranda on the DMAS website at www.dmas.virginia.gov. Refer to the "DMAS Content Menu" column on the left-hand side of the DMAS web page for the "Provider Services" link, which takes you to the "Manuals, Memos and Communications" link. This link opens up a page that contains all of the various communications to providers, including Provider Manuals and Medicaid Memoranda. The Internet is the most efficient means to receive and review current provider information. If you do not have access to the Internet or would like a paper copy of a manual, you can order it by contacting Commonwealth-Martin at 1-804-780-0076. A fee will be charged for the printing and mailing of the manuals and manual updates that are requested.

PROVIDER E-NEWSLETTER SIGN-UP

DMAS is pleased to inform providers about the creation of a new Provider E-Newsletter. The intent of this electronic newsletter is to inform, communicate, and share important program information with providers. Covered topics will include changes in claims processing, common problems with billing, new programs or changes in existing programs, and other information that may directly affect providers. If you would like to receive the electronic newsletter, please sign up at: www.dmas.virginia.gov/pr-enewsletter.asp.

Please note that the Provider E-Newsletter is not intended to take the place of Medicaid Memos, Medicaid Provider Manuals, or any other official correspondence from DMAS.